Government of the District of Columbia Office of the Chief Financial Officer



Natwar M. Gandhi Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi

Chief Financial Officer

DATE: April 4, 2013

SUBJECT: Fiscal Impact Statement - "Foster Youth Transit Subsidy Emergency

Amendment Act of 2013"

REFERENCE: Draft Bill as shared with the Office of Revenue Analysis on April 2, 2013

Conclusion

Funds are sufficient in the FY 2013 budget and the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill.

Background

The School Transit Subsidy Program, managed by the District Department of Transportation (DDOT), provides reduced fares for District students who use Metrobus, Metrorail, or the Circulator to travel to and from school. Presently, eligible participants in the program are residents of the District enrolled in a public, charter, private, or parochial elementary or secondary school, and are under the age of 19.1 In 2012, the Council passed an expansion to the DDOT program to include all foster youth until they reach 21 years of age. ²

The bill clarifies the expansion of transit subsidies to foster youth. The Mayor will establish a subsidy program for foster youth to take advantage of subsidized fares for Metrorail, Metrobus, and other District run transit options as long as those trips are for school or work purposes. Eligibility for the program will continue to be foster children until they reach 21 years of age.

¹ Students with disabilities are eligible to participate up until age 22. See D.C. Official Code § 35-233(c)(1).

² Fiscal Year 2013 Budget Support Act of 2012, effective September 20, 2012 (D.C. Law 19-168; D.C. Official Code § 35-233(c)(4)).

The Honorable Phil Mendelson

FIS: "Foster Youth Transit Subsidy Emergency Amendment Act of 2013" Draft bill shared with the Office of Revenue Analysis on April 2, 2013

Financial Plan Impact

Funds are sufficient in the FY 2013 budget and the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill. The FY 2013 through FY 2016 budget included \$85,300 from the Child and Family Services Agency (CFSA) per year³ to implement a foster youth transit subsidy program. However, there have been delays in implementing the program, which DDOT and CFSA have recently resolved, and no dollars have been spent. DDOT and CFSA will implement a program up to the budgeted amounts.

The funds will be used to purchase various transit passes, fund the District's portion of the pass subsidies, and provide technology enhancements to add foster youth to the DC One Card program. As an example, a participant in the student subsidy program pays \$30 for a monthly Metrorail pass and DDOT pays an additional \$34 subsidy. In this case, DDOT will continue to pay the \$34 subsidy, but CFSA will pay the additional \$30 cost. Both the subsidy and the pass costs will be covered with the budgeted resources.

³ The amount increased to \$89,500 in FY 2015 and FY 2016 to accommodate potential increases in WMATA fares.